



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Happy New Year!

I hope everyone celebrates a safe and joyous New Year's Day.

I also hope you're ready for all the excitement that 2013 will bring! We look forward to another great year of working with our industry partners throughout Arizona's tourism industry to promote our amazing state as a world-class, premier travel destination.

On behalf of the entire staff at the Arizona Office of Tourism, I wish all of you a wonderful and prosperous 2013!

Sherry Henry
Director, Arizona Office of Tourism

AOT News

New Update to AOT's Research Web site!

The following items have been updated in the Research and Statistics section of AOT's business-to-business Web site www.azot.gov.

- [County Lodging November 2012](#)
- [National, Regional, Arizona Lodging November 2012](#)
- [Gross Sales & Tourism Taxes October 2012](#)
- [AZ National Parks Visitation August 2012](#)
- [State Parks Visitation October 2012](#)

For additional information or questions, please contact Melissa Elkins, Research Manager, at 602-364-3716 or via e-mail at melkins@azot.gov.

Upcoming Events & Activities

[Germany Media Mission](#)

Dates: February 4 - 8, 2013

Location: Munich and Hamburg, Germany; Zurich, Switzerland

[France Media Mission](#)

Date: February 27, 2013

Location: Paris, France

[Amazing Gazing: Arizona from Above and Below Media Tour](#)

Date: March 4 – 9, 2013

Location: Safford, Bisbee, Sierra Vista, Tucson, Tempe

Industry News

Deloitte Travel Industry Report Sees Growth Ahead for 2013

Deloitte's new Travel, Hospitality and Leisure (THL) Outlook report finds that travel companies have reason to be optimistic for renewed growth domestically, for the power of technology to transform the consumer experience and for the opportunity to capitalize on emerging market growth.

"Even with the current climate of economic uncertainty, the THL sector may have reason to be optimistic," said Adam Weissenberg, vice chairman and U.S. leader of Deloitte's travel, hospitality and leisure sector. "However, there are a number of issues THL companies should take into consideration in 2013, including increased competition in the evolving marketplace, the pressing need for brand differentiation and the use of technology to improve customer service and operations." According to Deloitte's report, some key issues affecting the THL sector in 2013 include:

Heightened domestic and global competition: Travel industry players face a strong level of competition, according to the report. Existing THL firms face the prospect of even higher competition given the relative ease with which new players can enter the marketplace.

Differentiation through the upturn: Businesses competing fiercely for market share may be forced to incur expenses to differentiate their offerings. If the economic recovery is less than robust, customer pushback may induce pricing pressures. The result may be a greater likelihood of declining revenue and lower profits.

Global expansion and growth in emerging markets: Business climate improvements in established markets appear positive for industry players. Still, many THL companies continue to focus on increasing their presence in less saturated, faster growing emerging markets to expand customer reach.

"THL companies may better manage operations and help to achieve growth in the year ahead by attacking business complexities to improve cost structure amid heightened competition and by enhancing the consumer experience to build loyalty," Weissenberg said. "Additionally, companies should consider the growth potential of new markets, such as those in Asia and South America, and harness technology to improve operations and increase hassle-free experiences for customers." A copy of the report is available on Deloitte's website by clicking on [Deloitte THL report](#). (*Travel Pulse*, Dec. 17)

Travel Leaders Group Survey Highlights Travel Trends for 2013

Travel Leaders Group unveiled the results of its 2013 annual Travel Trends Survey. More than 92 percent of Travel Leaders Group agents surveyed throughout the United States say clients will spend the same or more on travel in 2013 as compared to last year. Europe -- along with European cruising -- appears to be driving much of that spending.

Three of the top five international destinations and half of the top 10 international destinations are European. Demand is also high as more than 82 percent of the surveyed agents indicate that bookings are on par or greater than this time one year ago.

Top U.S. and international destinations based on actual bookings for 2013 bookings are, in order, Cruise-Caribbean (52.3 percent), Cancun (42.4 percent), Cruise-Europe (Mediterranean) (28.7 percent), Rome (25.7 percent), London (24.4 percent), Punta Cana (D.R.) (24.1 percent), Playa Del Carmen (Riviera Maya, Mexico) (18 percent), Cruise Europe (river) (17.5 percent), Montego Bay (Jamaica) (16.6 percent), Paris (16.6 percent), Florence or Tuscany (9.6 percent), Negril (Jamaica) (8.9 percent), Barcelona (Spain) (8.4 percent), Cruise-Mexico (7.9 percent) and Cabo San Lucas/Los Cabos (Mexico) (7.5 percent).

To 2013 Domestic Destinations are, in order, Orlando (44.7 percent), Las Vegas (44.1 percent), Cruise-Alaska (40 percent), Maui (40 percent), New York City (32.2 percent), Honolulu (27.3 percent), San Francisco (14.8 percent), Washington, D.C. (13.6 percent), Chicago (13.4 percent), Los Angeles (11.5 percent), Fort Lauderdale (10.5 percent), Cruise-Hawaii (9.9 percent), Miami/Miami Beach (9.5 percent), U.S. Virgin Islands (St. Thomas, St. John, St. Croix) (9.1 percent), **Phoenix/Scottsdale (8.8 percent)**.

Among Travel Leaders Group agents whose expertise is in leisure travel and cruising, when asked "Which one of the following cruise destinations are you booking the most for 2013?" Western Caribbean itineraries edged out Alaska. Agents are also booking a significant number of European river cruises and Mediterranean cruises. Top cruise destinations are Caribbean-Western (20.5 percent), Alaska (20.3 percent), Caribbean-Eastern (18.7 percent), Europe-River Cruise (13.3 percent), Europe-Mediterranean (10.8 percent).

When asked, "Comparing your overall 2013 Mediterranean cruise bookings so far to your 2012 bookings at this time last year, which is true?" of the 458 Travel Leaders Group leisure agents

who say they book Mediterranean cruises, bookings are higher than or equal to last year for 79.9 percent (32.3 percent say “higher” while 47.6 percent say “equal to last year”).

When asked, “Comparing your overall 2013 Europe river cruise bookings so far to your 2012 bookings at this time last year, which is true?” of the 458 Travel Leaders Group leisure agents who indicate they book Europe river cruises, bookings are higher than or equal to last year for 92.4 percent (60.7 percent say “higher” while 31.7 percent say “equal to last year”).

When asked to compare their overall 2013 bookings so far to their 2012 bookings at the same time last year, 45.7 percent said they are higher, 26.5 percent said they are about even, and 17.9 percent said they were lower. When asked about their personal outlook for business in 2013, 78.7 percent said they were optimistic, 16 percent said they were neither optimistic nor pessimistic, while 5.3 percent said they were pessimistic.

The survey, based on actual booking data, was conducted by Travel Leaders Group from Nov. 19-Dec. 16, 2012, and includes responses from 1,045 U.S.-based travel agency owners, managers and frontline travel agents from the Travel Leaders brand, along with those affiliated with Travel Leaders Group’s Luxury Travel Network, Nexion, Results! Travel, Travel Leaders Corporate, Tzell Travel Group and Vacation.com units. (*Travel Pulse*, Dec. 19)

Travel Survey Reveals 40% Increase in Holiday Travel Plans Despite Concerns over the ‘Fiscal Cliff’ and Personal Financial Situations

LowFares.com, the travel comparison search site, released results today from an online survey of its U.S.-based email subscribers. The results revealed that 66% of those surveyed plan to travel during the 2012 year-end holiday season as compared to only 47% who did so in 2011. This represents a significant 40% year-over-year increase in holiday travel.

The survey results also revealed the following details about key factors influencing 2012 year-end holiday travel plans:

- For the second year in a row, the survey found that 36% of respondents are not making holiday travel plans due to their personal financial situation
- Some 16% of respondents were concerned about the “Fiscal Cliff,” causing them not to travel in 2012.
- 23% of those surveyed have not yet decided if they will travel during the holidays.
- 37% of the survey respondents, who were planning year-end holiday travel to New York, New Jersey, or New England prior to Super Storm Sandy, have cancelled their year-end holiday plans because of the storm’s impact.

“Our year-end holiday travel survey shows signs that the travel industry is continuing to recover and has remained strong from initial improvements seen this past summer,” said Raj Beri, General Manager of LowFares. “However, the survey also indicates that personal financial situations continue to keep a significant number of people from making holiday travel plans far in advance. As a result, we expect that consumers will look for “nearcations” and search online for last minute travel deals.” (*Travel Industry Wire*, Dec. 20)

Calendar of Events

Visit www.ArizonaGuide.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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